

THE TRANSPORTATION LINK

OFFICE OF
SMALL AND
DISADVANTAGED
BUSINESS UTILIZATION

INDIAN
BUSINESS
UTILIZATION

TECHNICAL
SOLUTIONS
UTILIZATION

INDIAN
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Director of the
Office of Small and
Disadvantaged
Business Utilization

The government is changing the way we do business by trying to adopt successful practices that are used in both the private and public sectors. One example—the use of past performance evaluations to assess the historical performance of government contractors—is highlighted in this edition of the *Transportation Link*. Past performance is being used increasingly to determine whether a contractor has a successful track record with the federal government.

November is Native American month, and the Department of Transportation is pleased to have the United Tribes Technical College join our Entrepreneurial Training and Technical Assistance Program. We are very proud of the work they have done and continue to do in injury prevention, and we look forward to working closely with them in the future.

Our success story features Mary Ann Elliott, a Native American businesswoman who founded Arrowhead, Inc., a satellite communications company. Ms. Elliott is a highly respected contractor whose clients include the Department of Transportation and the Department of Defense. I think you'll find her story inspirational.

I hope that all of you will be able to spend a happy Thanksgiving with friends and family. If you will be traveling, please be sure to make safety a priority.

Top Performance Ensures Tomorrow's Opportunities

How well a business delivers the services or products a government agency has purchased will directly result in whether businesses succeed or fail. The government places great emphasis on a contractor's past performance marks—sometimes weighing them more heavily than technical solutions or proposed costs. Although a contractor's technical solution and costs are important factors in the selection process, the government realizes that the ability to complete the task successfully is also important. They obtain this information through a contractor's history of past performance.

The measurement tool the government uses to evaluate how well products and services are delivered is called a *past performance evaluation*. Past performance evaluations are used for a two-fold purpose: ① to provide the contractor with information highlighting both superior areas of performance as well as inferior areas of performance and ② to provide an agency reference for future award decisions. Currently, agencies are required to complete performance reports for all contracts that exceed \$1 million, regardless of the date of contract award. Beginning January

1, 1999, the threshold requiring past performance review will be lowered to \$100,000. Government agencies and departments must share these performance reports with one another.

Past performance is critical to the success of any business in today's increasingly competitive market. Under the Federal Acquisition Regulations

(FAR) Part 15, past performance is being used more and more to evaluate an offeror's proposal in response to a request for proposal.

The evaluation criterion in solicitations is placing emphasis on an offeror's past performance marks. This information should not minimize the

contractor's response to the technical requirement, but equally raise their awareness of how important past performance is in the final decision. In fact, the FAR states "past performance shall be evaluated in all source selections for negotiated competitive acquisitions expected to exceed \$1 million." (\$100,000 effective January 1, 1999.) Many solicitations will include past performance scores no matter what the negotiated competitive acquisition is expected to be.

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Report Card



Many solicitations will ask for reference information regarding current or past work your business has performed. Information that is usually requested includes: name of the agency or customer, contracting officer and associated phone numbers, the technical point of contact and associated phone numbers, period of performance, value of the contract and any option periods, number of staff assigned and their labor categories, type of contract, type of award, etc.

In addition, the solicitation will require that these same references complete a questionnaire regarding the business performance. These questionnaires vary greatly between agencies and program offices within an agency. Typical questions the technical points-of-contact are asked include:

OVERALL CONTRACT PERFORMANCE/MANAGEMENT PERFORMANCE

- Contractor's ability to recruit and maintain qualified and reliable personnel
- Ability to accurately estimate and control cost to complete tasks
- Ability to effectively manage subcontractors
- Overall management performance, i.e. planning, scheduling and monitoring the contract
- Contractor's effectiveness in interfacing with the Government's staff

- Ability of Contractor's staff to display a team approach to accomplish the work when applicable

- Contractor's performance implementing a formal technical methodology

- Contractor's performance using the Contractor's technical methodology and approach

- Contractor's performance using formal escalation procedures in performing the work

- Contractor's performance implementing and using a quality assurance program

- Contractor's performance in creative improvement of work flow or processes

TECHNICAL PERFORMANCE

- Contractor responded positively and promptly to technical direction and/or contract revisions

- Deliverables were provided on time

- Contractor reports/other documentation submitted were accurate and complete

- Contractor addressed and solved any problems arising during contract performance in an effective and expeditious manner

- Contractor displayed the ability to identify and solve problems effectively and expeditiously

ADPE SUPPLIES/SERVICES

- Did the Contractor deliver equipment on schedule?

- Was the Contractor required to correct problems with equipment?

- Was the Contractor required to provide any training services and if not, please provide a brief statement.

- Was the Contractor required to provide programming of custom designed scripts?

CUSTOMER SATISFACTION

- Did the contractor demonstrate a cooperative, business-like attitude and concern with the interests of your agency?

- Has the Contractor ever been given a cure notice, show cause notice, suspension of progress payments, or letters of direction?

- Have you ever terminated a contract with this Contractor?

- Were there any other problems on the contract?

- Would you award this Contractor another contract?

Although past performance questionnaires may vary in requests for information, they can carry a great deal of weight in the decision process. Reread the questions that could be asked, and answer them honestly yourself. If any of these questions result in a negative response, work diligently to correct the areas that are deficient.

Many federal and state agencies are hiring consulting firms to perform past performance reference checks during the acquisition process. Contracts can be won and lost based on an offeror's past performance recommendations. Given that situation, all businesses should place added emphasis on ensuring that their customer's expectations are articulated early in the performance

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period and repeatedly validated to ensure the highest possible scores during the past performance review phase.

Contractors should consider what initiatives can be employed to maximize their past performance ratings under existing contracts. One such initiative could be to contact the various on-line resources that agencies can consult for purposes of obtaining past performance information.

Much like a credit report, there may be misleading or incorrect information on file that should be corrected immediately. A second initiative involves fully understanding the client's expectations from the start of the contract. Performance measurements should be clearly documented by the government's technical representative.

Don't be afraid to ask what their expectations are. It's better to know and understand them before you begin work, rather than a year after the work has been performed.

You may wish to hire an independent party to participate in this discussion so that any areas of ambiguity can easily be identified and clarified. The third initiative is for businesses to sub-

scribe to a periodical that keeps them abreast of the latest government changes in contracting.

New regulations are released regularly, decisions are handed down from the courts, and the General Accounting Office also has its role in reshaping the law.

Although there are many more initiatives that businesses can pursue, one of the most important is to document significant events during the performance of any contract. Regular records retained by contractors become an invaluable means of reinforcing the hard work and dedication delivered during the contract period.

For businesses receiving poor marks on their performance evaluations for the periodic review of the existing contract, they are afforded an opportunity during a specified period of time to comment upon the marks and petition changes. The comments are forwarded to the Contracting Office and reviewed by higher authority. If deemed appropriate, the past performance may be changed.

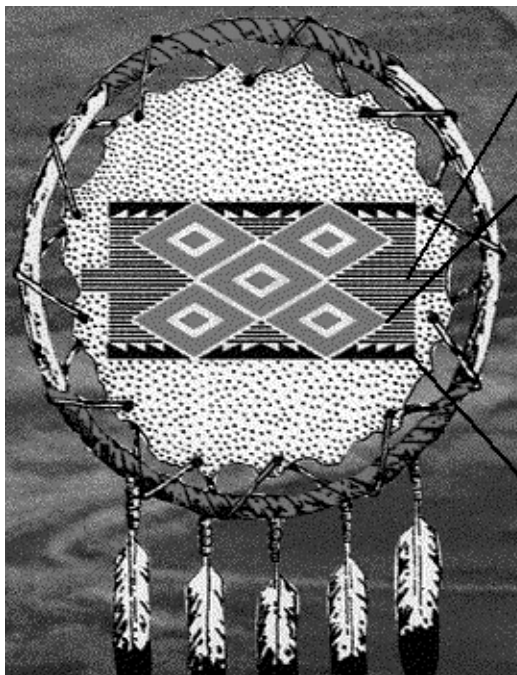
Past performance evaluations that are solicited to determine a contract award cannot be changed. In that event,

it is recommended the contractor document what any negative past performance issues were, how they were corrected, and why they will not occur again.

The final evaluation is retained by the agency for a period of three years after the completion of the contract (FAR 42.1503(e) refers.)

For businesses that may not have previous experience to cite, many times personal references can be substituted if allowed in the solicitation. Also, teaming with larger businesses as their subcontractor, offers the opportunity to build a past performance history. The success of your business depends on your performance today.

For more information on past performance requirements, refer to Federal Acquisition Regulations (FAR) Part 15, available on the following web site: <http://www.arnet.gov/far/>



The tree symbol stands for growth.

The diamond symbolizes man and life. Five diamonds appear standing for the unity of the five reservations which make up the United Tribes.

This symbol represents vertebrae and denotes strength.



United Tribes Technical College is located on a 105 acre campus 3 miles south of Bismarck, ND

United Tribes Technical College Partners With DOT

The United Tribes Technical College (UTTC), located in Bismarck, North Dakota, has joined the Department of Transportation's Entrepreneurial Technical Assistance Training Program (ETTAP) and is the first Native American College to do so. Dennis Renville, ETTAP Project Director at the College, explains that students from 40 tribes across the nation attend UTTC.

When asked why UTTC joined the ETTAP program, Renville explained that Native Americans have an unemployment rate of 60-80% in North Dakota and a suicide rate higher than any other national group. One in every three jobs in this country is related to transportation, so the College sees great potential for employment opportunities among students who are trained in transportation-related fields.

In addition, many of the reservations have serious problems with transportation infrastructure, and educating Native American businesses and youth in the field of transportation is seen as a way to combat that problem.

UTTC began offering an Associate of Applied Science Degree in Injury Prevention in response to a need for exper-

tise in this field within the Native American community. This Injury Prevention degree was created in response to near epidemic injury rates on Indian reservations.

Native Americans are experiencing injuries and fatalities five times the national average in motor vehicle crashes, suicides, assaults, and violence. Seventy-five percent of all motor vehicle deaths involving Native Americans are alcohol related compared with 49 percent for other groups.

Eighty-five percent of Native Americans killed in vehicle crashes did not use a seat belt. UTTC is the first of all 34 Tribal Colleges to offer such a degree, and may even be the first higher education institution to offer a degree in Injury Prevention in the United States.

The Indian Health Service (IHS) has partnered with UTTC and DOT to support Injury Prevention as a critical turning point affecting the quality of life for Native American and Alaskan American Youth. Behavioral changes, healthier life-style choices, and education are the major challenges facing the Native American Community in the next millennium.

ETTAP uses partnership agreements with Minority Educational Institutions (MEIs) to provide transportation related assistance and procurement information to small, woman owned, and disadvantaged businesses. The program also provides training and development to students in transportation-related fields.

For more information on the United Tribes Technical College, contact Dennis Renville at (701) 255-3285, e-mail nddrenville@hotmail.com, or visit <http://www.united-tribes.tec.nd.us/default.html>.

For more information on the Indian Health Service Department contact Deborah Melton at (301) 443-4700, or e-mail dmelton@hqe.ihs.gov

For more info on DOT's ETTAP program, contact Pat Martin at (800) 532-1169, or visit the ETTAP page on our web site at: <http://osdbuweb.dot.gov/programs/ETTAP.html>



ARROWHEAD'S LEADING VISIONARY

Mary Ann Elliott — President and Chief Executive Officer of Arrowhead Space and Telecommunications, Inc. is the subject of this month's Success Story. Arrowhead is an engineering

services company Mary Ann Elliott started in the basement of her home in January of 1991. Capitalizing on her twenty years of experience in the commercial satellite communication arena, Elliott started Arrowhead as primarily a technical consulting firm. Her business gener-

ated \$70 thousand in the first year of operation. Today, Arrowhead is a thriving DC area corporate entity with 50 professional employees and \$5 million in gross annual revenue operating from corporate offices in Falls Church VA.

How did she do it?

"I believe the key component to my success was determining my principle strengths and weaknesses," says Elliott. "Then I developed a well-defined strategic business plan."

Having the vision to spot trends and develop solutions has led to Arrowhead's selection for the 1997 Blue Chip Enterprise Initiative Award sponsored in part by US Chamber of Commerce. In addition, Washington Technology — a well-respected business newspaper — has listed Arrowhead on their 'Fast Fifty' list of the area's fastest growing technology firms for 3 years consecutively.

In addition to being a CEO and lead visionary of a rapidly growing satellite communications company, Elliott has strong social commitments. As a Native American and woman, she has an acute awareness of the difficulties facing minorities and women in business,

and she uses her high profile to provide an advocacy for their causes. As a member of the Tuscarora Indian Tribe of North Carolina, and raised among the Lumbee Indians of that region, Elliott is a driving force for compelling businesses to create jobs in, or near, that Native American community.

Moreover, Elliott persuaded EDS to donate personal computers to the Tuscarora Indian Tribe, and has personally donated \$16 thousand worth of office equipment. She is actively involved with the Native American Business Association — a group dedicated to supporting opportunities and legislation for Native Americans.

In addition, Elliott has become a leading expert on the advantages and pitfalls of the 8(a) program and has had numerous published essays on the subject.

"The 8(a) program can provide stability," says Elliott, "but you should never depend on it."

Her opinions on satellite industry commerce have been picked up by the Wall Street Journal and Newsweek and Elliot is a frequent conference speaker and prolific writer. She is the author of the first independent publication on the *Inmarsat network*, the worlds first global mobile, satcom net.

Arrowhead gained 8(a) status in 1995 and won their first contract with the Department of Transportation (DOT) in April of 1997, providing administrative support and help desk services. That contract has since grown from employing one to fifteen people.

Elliott also believes that a business should do their homework before attempting to win any federal contracts.

"Don't expect a government project manager to educate you on their needs," Elliott explains.

"When you go into an agency to market your capabilities, you should already know what their requirements are,

"The 8(a) program can provide stability," says Elliott, "but you should never depend on it."

and where you can meet their needs. With the 'net' and other information sources out there, the background information you need *is* readily available."

Elliott practices what she preaches. During *Operation Desert Storm* it became apparent to her that the Defense Department needed to improve satellite communications capacity to wage a modern war.

"We are helping them work on that issue by filling a niche as brokers of commercial satellite capacity, end-to-end communications services, and supporting commercial satellite licensing approvals in foreign countries," says Elliott.

Now this one time, high school drop out, homemaker and mother of three, finds herself listed in the September 1998 edition of the Defense Daily's *Top 40 Most Influential People in Defense Aerospace and National Security* — located between Secretary of State, Madeleine K. Albright and Billionaire, Bill Gates. Where to now?

"My goal is to use the recognition I have received in the Defense community to enhance the credibility—and to further the cause of—Native American businesses, women-owned businesses and Arrowhead Inc., throughout our great nation."

*For more information contact:
Arrowhead Space & Telecommunications, Inc. 803 West Broad Street
400 Falls Church, VA 22041
Phone: 703-241-2801
Fax: 703-241-2802
<http://www.arrowheadsat.com/>*

Last month the U.S. Department of Transportation launched a new web page (<http://www.dot.gov/onedot>) to support the ONE DOT vision of establishing, “an integrated, collaborative, work environment that reaches across modes and agencies at all levels to provide better transportation services and support better transportation systems for the new century.”

The ONE DOT concept, introduced in the strategic plan, is driven by the need for an intermodal transportation system in the 21st century. This management strategy focuses on the culture within DOT as well as how business is conducted. Through a variety of management initiatives, employees are encouraged to partner and collaborate with colleagues in other modes. DOT’s intent is to create a climate in which good ideas flourish and in turn, lead to more beneficial processes that improve productivity, increase quality and customer service.

On the ONE DOT web site, exam-

ples of initiatives that are succeeding due to cooperation across modes, are highlighted. One example describes a recent summit for agencies within DOT to focus on Year 2000 issues that relate to Intelligent Transportation Systems (ITS). Another example describes how the Federal Transit Administration (FTA) and the Federal Aviation Administration (FAA) are working in partnership with local officials to speed the commute between O’Hare Airport and downtown Chicago.

and tools needed to organize and manage highly productive teams.

The ONE DOT home page serves as a central location for information on this initiative including pertinent press releases, the ONE DOT brochure, a library of ONE DOT documents, Q’s & A’s, a calendar, related links, and a feedback page. Visit this site at <http://www.dot.gov/onedot> to learn more about how DOT is “Working Better Together.”



To further the ONE DOT goals, DOT has established *Partnering for Excellence Teams*, which are organized around existing missions, programs and policies, or may be *ad hoc* groups formed to provide better services and information to DOT’s constituents. In addition, two-day seminars will be convened to orient DOT employees to the ONE DOT management strategy. The seminars will be designed to develop the skills

Construction Industry Signs Equal Opportunity Statement

On October 17, 1998, a joint statement was signed by The Associated General Contractors of America, The National Association of Minority Contractors, The National Association of Women in Construction, and the Women Construction Owners & Executives, U.S.A. – expressing strong consensus for a statement on equal opportunity in the construction industry.

This statement addresses equal opportunities sentiments, practical improvements in the government procurement programs that target minority and women business enterprises, broader issues that affect the construction industry, and several voluntary efforts to assist minority and women business enterprises and encourage a new business environment in the construction industry.

A member of the DOT OSDBU Advisory Council, Rosemary Breiner of Breiner Construction Company, was a driving force in the creation of this historic initiative. The statement is posted in its entirety on the OSDBU web site at <http://osdbuweb.dot.gov/main.shtml>

OSDBU Web Page Recognized by *Set-Aside Alert*

The OSDBU web page was featured in the September edition of the *Set-Aside Alert* in the Web Watch column. This newsletter on minority federal contracting highlighted the Federal, State, and Local Procurement Opportunity search (osdbuweb.dot.gov/cfapps/bidline/main/cfm) that OSDBU recently posted on the web site.

This procurement data is collected from the CBD, FACNET, State DOT databases, and State sources—all assembled in one convenient location for your ease of use. New information is downloaded daily. On the same web page, OSDBU posted the U.S. Department of Transportation's *Fiscal Year 1999 Procurement Forecast* database on October 1, 1998.

Thank you for the special recognition *Set-Aside Alert*!

Automatic E-mail Service

The response to the OSDBU List Server, automatic e-mail service, has been very enthusiastic, with new subscribers signing up every day. There are currently three lists, or categories of e-mail announcements that OSDBU has made available. They are:

- OSDBU News Announcements
- The *Transportation Link* newsletter Announcements
- Conference Announcements

You can subscribe to this service at <http://osdbuweb.dot.gov/cfapps/lists/lists.html>. Just type in your e-mail address, check the lists you want and click 'JOIN.'

OSDBU's goal is to provide you with time sensitive, relevant information that will help you grow your business. (Reference previous article on OSDBU's List Serve in the August 1998 issue located at <http://osdbuweb.dot.gov/translink/aug98/index3.htm#TOC3>)

Web site for Women Entrepreneurs

If you are an entrepreneurial woman who owns a business, or is exploring the possibility of owning a business, *Online Women's Business Center* will be a valuable electronic resource for your personal and professional development.

Created as a public-private partnership between the US Small Business Administration's (SBA) Office of Women's Business Ownership and partners in the private sector, this interactive, business-skill-building web site intends to provide the information and expertise business women need to build their business skills.

"This is a new, totally free, and interactive web community where women can learn how to start and manage small businesses on their own," said Vice President Gore at a White House event to announce the launching of the site. "The Online Women's Business Center will benefit from the expertise of more than 60 Women's Business Centers in 36 states offering everything from interactive mentoring, to one-on-one counseling, to the latest management techniques."

Some of the questions *The Online Women's Business Center* helps answer are:



Vice President
Albert Gore

- How do I start a home-based business?
- Where can I obtain financing?
- What are the steps for writing a successful business plan?

This web site contains a comprehensive database of business resources. In addition, the site offers bilingual public message boards that discuss minority and ethnic business issues; 'Welfare to Work' initiatives; networking opportunities; business license certification issues; and more.

One 'Up and Coming Discussion' that will be taking place on the message board from November 8 to the 21st will be on books that women business owners recommend for entrepreneurs to read.

From chat sessions with other businesswomen, to specific legal advice on contemporary business issues, this web site should be book-marked by the serious woman entrepreneur.

To view the *Women's Online Business Center*, visit <http://www.onlinewbc.org/>

Are you electronically accessible?

If the U.S. Department of Transportation wanted to get in touch with you quickly, could they? It is critical that all current or prospective federal contractors be easily accessible. Procurement communications require a quick turn-around that can frequently make mailing printed documents impractical. To ensure that your business is not missing out on important procurement information, you need to be sure that any DOT contacts have your current e-mail address and fax number. To update this information with the Office of Small and Disadvantaged Business Utilization (OSDBU), call us at 800-569-1169, or register on our web site at <http://osdbuweb.dot.gov/cfapps/reg/reg.cfm>. If your business is not electronically accessible, we recommend you make that a top priority now.

Follow the Money

This month's *Transportation Link* features the Virginia Department of Transportation (VDOT) *Opportunities Network* web site located at <http://www.vdot.state.va.us/opnet/default.htm>

Opportunities listed by the Construction Division, averaging approximately 700 contracts per year, are listed on this web site. Advertisement information is posted on a time sensitive basis.

Current requests for proposals (RFPs) for the Design and Construction Divisions, and Administrative Services are updated on a regular basis along with their Consultant Services Guide. These RFPs can be downloaded in PDF format.

Short lists and selected firms are also listed with links to the originating division's web sites.

Future projects that the Location and Design Division anticipates advertising, based on the Six Year Improvement Program schedule, are also provided.

This site, as well as other state procurement sites, can be accessed in one convenient location at <http://osdbuweb.dot.gov/programs/states.html>

CALENDAR OF EVENTS FOR November/December 1998

DATE	EVENT	CONTACT
November 12	Creative Ways to Finance Your Business/ Satellite Conference Series for Women Entrepreneurs Sponsored by SBA	Edward Jones (302) 239-9401 www.edwardjones.com
November 13	Y2K: What it is, and solutions to the problem. San Francisco, CA Sponsored by SBA	Gary Marshall (415) 744-6771
November 14	The 4th Northeast Women-in-Business Conference Rhode Island Convention Center, RI	Toby Nadler (401) 351-0080 association@ids.net
November 16	"Funded to Win: Creative Ways to Finance Your Business" Sponsored by American Business Women's Association (ABWA)	(800) 441-1384 www.ibm.com/solution/smbus/womeninbusiness
December 3	'So You Want To Borrow Money' Sponsored by Women's Business Development Center. Chicago, Ill	WBDC (312) 853-3477 WBDC@aol.com Fax: (312) 464-8732
December 9	Vision 2000: The States and Small Business Conference US Chamber of Commerce Washington, DC	Barbara George barbara.george@sba.gov (202) 205-6934

<http://osdbuweb.dot.gov>

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Address Correction Requested